
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 10.6.2009

Wall Street Journal: "Pay Czar Targets Salary Cuts ... The Obama administration's pay czar is planning to clamp down on compensation at firms receiving large sums of government aid by cutting annual cash salaries for many of the top employees under his authority, according to people familiar with the matter."

Wall Street Journal: "Toxic-Asset Rescue Funds Start ... While many investors are focused on the winding down of government programs, one notable piece of the rescue effort is finally ramping up."

Wall Street Journal: "Goldman in Talks on CIT Debt ... Goldman Sachs Group Inc. said it is in talks to amend the terms of a \$3 billion loan to CIT Group Inc."

Wall Street Journal: "Fed Opens Credit-Rater Door for TALF ... The Federal Reserve announced steps that could loosen the grip of the biggest credit-rating firms on the structured-finance industry, as the central bank looks to take a more-active role assessing the risk of a key lending program."

Wall Street Journal: "Finra to Expand Its Investor-Selected Arbitration Program ... The Financial Industry Regulatory Authority plans to expand its two-year pilot program that gives investors filing eligible claims the opportunity to select an arbitration panel with no industry-affiliated members."

Wall Street Journal: "How the Fed Can Avoid the Next Bubble ... Ben Bernanke and the Federal Reserve face a number of very difficult challenges in the years ahead. They include:"

Washington Post: "Overdraft-Fee Revenue Up 35 Percent, Study Says ... The revenue that banks and credit unions generate by letting customers overspend their accounts, then charging them a fee, increased 35 percent in two years, the Center for Responsible Lending reports in a study released Tuesday."

NY Times: "Prepaid, but Not Prepared for Debit Card Fees ... Buying a prepaid debit card these days is just about as easy as picking up a bottle of shampoo or a candy bar."

NY Times: "British Banks Will Face Tougher Liquidity Rules ... Banks operating in Britain could collectively face costs of about \$3.5 billion a year to comply with liquidity rules intended to strengthen the financial system, a British regulatory agency said Monday."

LA Times: "Treasury 'lost credibility' on initial TARP aid, audit says ... The Treasury Department 'lost credibility' when it said its first capital injections from the \$700-billion financial rescue were for healthy banks, the inspector general for the Troubled Asset Relief Program said."

USA Today: "SEC OKs rules for canceling erroneous stock trades ... Federal regulators have approved new rules for stock exchanges for nullifying erroneous trades deemed wildly out of sync with current prices."

Reuters: "Pay czar looking to rework employee pay packages: report ... The Obama administration's pay czar plans to cut the cash salaries of the top employees at seven firms that have received large sums of government aid, in a bid to reshape their compensation packages, the Wall Street Journal said on Tuesday, citing people familiar with the matter."

Reuters: "U.S. SEC: no more SarbOx delays for small firms ... U.S. small businesses will no longer get a reprieve from complying with an auditing provision of the Sarbanes Oxley corporate reform law, the Securities and Exchange Commission said on Friday."

Bloomberg: "Fed Adds Risk Reviews for Collateral Posted for TALF (Update1) ... The Federal Reserve added a requirement for securities posted as collateral for a \$1 trillion emergency lending program by subjecting debt to a Fed review of credit risk."

Bloomberg: "Caterpillar, Duke, Apple Are Winners in Frank Derivatives Plan ... Apple Inc., Caterpillar Inc. and Duke Energy Corp. are among companies that come out ahead in draft derivatives legislation offered by House Financial Services Committee Chairman Barney Frank."